



State Senator

**VALDE GARCIA**

**Serving the 22<sup>nd</sup> District**

Shiawassee-Livingston-southern Ingham counties

**COFFEE BREAK**

**May 20, 2009**

***MI Health* plan announced to help Michigan's 1.2 million uninsured**

Senate Republicans unveiled a comprehensive plan that will help make health insurance in the state affordable and accessible for uninsured Michigan residents.

The *MI Health* package is the result of a series of Senate bipartisan workgroup meetings. The plan is an innovative approach that provides consumer protections and has the potential to cover half of the more than 1.2 million uninsured people in the state.

*MI Health* is a bridge for the working uninsured from government assistance to health care independence. The plan protects consumers from losing coverage if they get sick and also includes a re-insurance mechanism that partially relieves Blue Cross Blue Shield of its burden.

Central to the plan are its two programs to expand coverage for the uninsured. *MI Access* covers uninsured patients earning under 200 percent of the Federal Poverty Level, while *MI Coverage* protects those earning between 200 and 300 percent of that level.

The workgroup held several meetings across the state over four months and consulted with numerous stakeholders in the health field, including: Blue Cross Blue Shield of Michigan; commercial carriers; health plans; physicians; hospitals; seniors; patients and consumers; disability advocates; business owners and job providers; unions; and the Office of Financial and Insurance Regulation.

Senate Bills 579 - 582 have been referred to the Senate Health Policy Committee.

**Senate Republican measure to expand SmartZones approved**

The Michigan Senate unanimously approved legislation designed to aid Michigan on the path to economic recovery and stimulate job creation by establishing two additional SmartZones.

To become a SmartZone, a municipality must have significant support from a higher-education institution and possess property devoted to a high-tech activity.

SmartZones are also home to incubation facilities providing office and wet lab space to technology companies. Incubators are a critical component of SmartZones because they increase access to early-stage capital, provide access to entrepreneurship education, offer other sources of help for young companies, and improve the local community image.

Michigan currently has 18 SmartZones. Senate Bill 358 now goes to the House of Representatives for consideration.

**Senate bill to help secure Michigan's automotive future signed**

Legislation designed to help spur economic growth by expanding the number of Michigan Business Tax credits for cell manufacturing from three to four was recently signed into law.

Public Act 26 of 2009 allows Compact Power, the Troy-based subsidiary of the Korean firm LG Chem that is partnering with General Motors Corp., to seek federal funds for its plans to invest \$200 million to construct a lithium-ion battery cell manufacturing facility. The venture is expected to create more than 300 jobs.

The other cell manufacturing projects awarded tax credits are:

- Johnson Controls-Saft Advanced Power Solutions LLC plans to invest \$220 million and employ nearly 500 workers at an advanced battery production plant in Holland that will manufacture batteries for Ford's anticipated plug-in hybrid vehicle.
- A123 Systems of Massachusetts will invest more than \$600 million in a battery plant in Livonia to supply Chrysler with electric vehicle batteries - creating more than 5,000 jobs.
- Midland-based Dow Chemical Co., will partner with KD Advanced Battery Group LLC, Kokam America Inc. and Townsend Ventures LLC to spend \$665 million to construct a battery manufacturing plant expected to employ more than 800 workers.

Battery cells are basic electrochemical units combined into small numbers to form modules that are grouped to create battery packs for electric vehicles. Experts expect the U.S. battery market to reach \$18 billion a year by 2020. Cell manufacturing could provide a wide range of jobs for Michigan's workers, including engineers, scientists, technicians and laborers.

The new law also increases the cap for the vehicle engineering credit to support battery integration, prototyping and launch expenses to \$135 million (a \$45 million addition) to help bring electric vehicle operations to Michigan.

### **Senate approves legislation to aid disabled veterans**

The Michigan Senate recently approved legislation which would make it easier for businesses owned by disabled veterans to secure state contracts. The measure is designed to help ensure that Michigan's veterans receive a fair shake when bidding for state contracts.

Senate Bill 313 would require that preference in awarding state contracts be given to qualified disabled veterans. The bill would require the state to give businesses owned by service-disabled veterans a 10 percent price differential in the bidding process when awarding construction bids.

The Legislature passed a measure in 2005 requiring the state to give a pricing preference of up to 10 percent to businesses owned by service-disabled veterans. The Michigan attorney general's office reviewed the law in 2008 and determined that while it was clearly intended to include construction projects, further legislation was necessary to avoid any confusion.

### **Contact information**

*Thank you for your interest in our current state issues. If you would like to receive future legislative updates via e-mail, or have any questions or concerns, please contact my office at [sen22@senate.michigan.gov](mailto:sen22@senate.michigan.gov) or by calling 800-516-0026. You can also visit me in my Lansing office S-132 State Capitol Building Lansing, Michigan.*

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